

November 9, 2004

TO: City Council Members
Santa Clara County Board of Supervisors
City Managers and County Executive
City and County Planning Directors

FROM: Neelima Palacherla, LAFCO Executive Officer

**SUBJECT: City Annexations of Unincorporated Islands
Streamlined Process in State Law**

I am writing on behalf of the Local Agency Formation Commission of Santa Clara County (LAFCO), to inform you about the changes in state law regarding city annexations of urban unincorporated islands.

New Law Increases Eligible Island Size from 75 acres to 150 acres

Currently, state law allows cities to annex urban unincorporated islands that are 75 acres or less and that meet certain criteria without requiring protest proceedings or elections. Recent legislation (SB 1266) signed by the Governor, will change the 75-acre requirement to 150 acres. This change will become effective on January 1, 2005 making it possible for more islands to qualify for this streamlined annexation process.

Background

Generally, the annexation law allows residents and/or landowners within the annexation area to protest the annexation. If there is less than 25% protest, the annexation passes. A protest level of 50% or more terminates the annexation. If the protest level is between 25 and 50%, an election must be held. A majority vote is then required for the annexation to be successful.

In 2000, the state legislature, recognizing the inherent inefficiencies of urban unincorporated islands, and in an effort to encourage their annexation, allowed for a simplified annexation process for the islands. AB 1555 allowed annexations of urban unincorporated islands that are 75 acres or less and that meet certain

criteria to be approved without protest or election. The 75-acre requirement will be changed to 150 acres on January 1, 2005, when SB 1266 becomes effective.

Criteria for Streamlined Island Annexation Process

As per Government Code Section 56375.3, island annexations may be approved without protest or elections if all of the following criteria are met:

- Annexation is proposed by resolution of the annexing city.
- The island is 150 acres or less.
- The island is surrounded or substantially surrounded by the annexing city or by the annexing city and adjacent cities.
- The island is not a gated community where services are currently provided by a community service s district.
- The island is substantially developed or developing based on the availability of public utility services, presence of public improvements or the presence of physical improvements on the parcels within the area.
- The island is not prime agricultural land as defined in §56064.
- The island is receiving benefits from the annexing city or will benefit from the city.
- The island was not created after January 1, 2000.

Limited Time Period for Using Streamlined Annexation Process

This streamlined process without protest and election requirements is available only for a limited time period -- between January 1, 2000 and January 1, 2007. However, after January 1, 2007, not all provisions under this section expire. After January 1, 2007, protest proceedings will be required for these annexations but elections will not be needed. That is, if a majority protest is not received to defeat the annexation proposal, the annexation is approved without an election.
(§57080(b))

For More Information

If you have any further questions regarding this process or if you would like to discuss potential island annexations within your city, please do not hesitate to contact me at (408) 299-5127 or Dunia Noel, LAFCO Analyst at (408) 299-5148.